

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
January 26, 2011
Staff Report

**REQUEST FOR A RE-ALLOCATION OF QUALIFIED ENERGY CONSERVATION BOND ALLOCATION
FOR A QUALIFIED ENERGY CONSERVATION BOND PROJECT/PROGRAM**

Prepared by: Richard Fischer

Eligible QECB Reallocation Applicant: Yuba County

Eligible QECB Reallocation Issuer: Yuba Community College District

Allocation Amount Requested:
Governmental Use: \$6,330,000

Project/Program Information:
Name: Yuba Community College
Project/Program Address: 2088 North Beale Road
Project/Program City, County, Zip Code: Marysville, Yuba County, 98901

Project Financing Information:
Bond Counsel: Kronick, Moskovitz, Tiedemann & Girard
Underwriter: Southwest Securities, Inc.
Credit Enhancement: Not Applicable
Private Placement Purchaser: Not Applicable
Public Sale: Investor grade rating of A

QECB Reallocation Category and Type:
Qualified Facility Type: Not Applicable
Mass Commuting Type: Not Applicable
Renewable Resource Type (Rural Development): Not Applicable
Publicly Owned Building Type: Applicable
Research Investment Type: Not Applicable
Demonstration Project Type: Not Applicable
Public Education Campaign Type: Not Applicable
Loan/Grant Type: Not Applicable

Qualified Conservation Purpose Requirement:

The Applicant has provided a legal memo from bond counsel confirming that the project/program meets the "qualified conservation purpose" requirement as defined by IRS Notice 2009-29.

Readiness Requirement:

The Applicant has provided a thorough and complete time schedule for the project/program, and the Applicant has certified that the time schedule is a realistic estimate of their project's/program's timeline.

Public Entitlements Requirement:

The Applicant has certified that they have obtained (or will obtain before issuance) all required public entitlements that are required for QECCBs to be issued.

Description of Public Benefits:

Estimated Reduction in Pollution in MMTCO_{2e} = 512,547 lbs of CO₂ per year

Comments:

The Yuba College Project took first place in the Public Owned Buildings Category based on their total estimated electricity savings.

Details of Project Financing:

Estimated Total Project/ Program Cost:	\$6,330,000
Sources of Funds:	
Qualified Energy Conservation Bond Proceeds	\$ 6,330,000
Total Sources	\$ 6,330,000

Uses of Funds:	<u>QECB Proceeds</u>
Rehabilitation of Existing Buildings	\$ 834,000
Site Preparation	\$ 75,630
Construction of New Building(s)	\$ 213,637
Utilities Connection	\$ 1,597,470
Acquisition and Installation of New Equipment	\$ 3,140,395
Engineering/Architecture	\$ 286,868
Bond Issuance Expenses (including discount)	\$ 125,469
Letter of Credit or Bond Insurance Fee	\$ 56,531
Total Uses	<u>\$ 6,330,000</u>

Legal Questionnaire:

The Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the application. No information was disclosed to question the financial viability or legal integrity of the Applicant.

Total Points: 10 out of 22
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve the reduced amount of \$2,170,557 in Qualified Energy Conservation Bond Re-Allocation, due to the current Allocation availability.

ATTACHMENT A

EVALUATION SCORING:

Qualified Conservation Purpose Points	Maximum Points Allowed	Points Scored
Qualified Facilities	10	0
Mass Commuting Facilities	12	0
Rural Development	12	0
Publicly Owned Building(s) (also show bonus points here)	10	10
Research Investments	10	0
Demonstration Project(s)	10	0
Public Education Campaign(s)	10	0
Loan/Grant Program	10	0
To	22	10

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.